

**UPDATED INFORMATIVE DIGEST
FOR ADOPTION OF RULES UNDER THE
REAL ESTATE APPRAISERS' LICENSING AND CERTIFICATION LAW**

OAL Notice File Number Z-2010-1019-08

The U.S Congress enacted Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), mandating all states to license real estate appraisers who appraise real property for federally related real estate transactions as defined. In response to the federal mandate, the California Legislature passed the Real Estate Appraisers' Licensing and Certification Law [Stats. 1990, c.491, (AB 527), amended by Stats. 1990, c. 1062 (SB 910), Stats. 1991, c. 84 (SB 1028), Stats.1993, c. 331 (SB 914), Stats. 1993, c. 343 (SB 173), Stats. 1993, c.940 (AB 1723), Stats. 1993, c. 941 (AB 387), Stats. 1994, c. 837 (AB 2634), Stats. c. 439 (SB 1316), Stats. 1997, c. 790 (SB 1348), Stats. 1998, c. 366 (AB 2244), Stats. 1999, c. 974 (AB 431), Stats. 2007, c. 291 (SB 223), and Stats. 2009, c. 173 (SB 237)]. The law charged OREA with licensing real estate appraisers in California and enforcing ethical and professional standards and qualifications.

Regulations previously adopted by OREA to carry out these federal and state statutory requirements are being amended as proposed in the modified text filed with the Office of Administrative Law on December 17, 2010.

Three comments were received by OREA during the 45-day public comment period. OREA's responses to the comments are detailed in the Final Statement of Reasons, resulting in two minor revisions to the originally proposed text. The effect of the revisions is:

Subsection 3721(a)(4) and Subsection 3721(a)(7). Additional language is added to clarify that Appraisal Management Companies are held accountable to ensuring that appraisal services they provide to their clients comply with the Uniform Standards of Professional Appraisal Practice and with other applicable appraisal laws and regulations.

The revisions are proposed for clarification only, are non-substantial and are sufficiently related to the original text; therefore there is no requirement for an additional 15-day comment period.

No requests for a public hearing were received by OREA. No other changes are proposed to the Informative Digest submitted on October 19, 2010, which is hereby incorporated by reference.